(b) if so, what are the details including reasons for such decision?

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) At present there is no such instruction in existence.

(b) Does not arise.

Fair procedure in appointments in Competition Commission

830. SHRI LALITBHAI MEHTA: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) the present status of the Competition Commission of India;

(b) whether it is a fact that the appointments of the Chairman and Members of the Commission have been challenged under a writ petition before the Supreme Court: and

(c) whether Government propose to adopt a transparent and fair procedure in appointments in such regulatory bodies?

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) to (c) The Competition Commission of India was set up on 14th October, 2003. The Competition Act, 2002, the Selection Rules made thereunder and appointments made were subject to legal challenges in the Supreme Court. The Supreme Court has delivered its Judgement on 20.01.2005. While disposing of the Writ Petition, the Apex Court has allowed the Central Government to make amendments necessary to ensure consistency with constitutional provisions. An exercise has been initiated to review the enactment in light of the Supreme Court Judgement.

Functional autonomy for Competition Commission

831. SHRI LALITBHAI MEHTA: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether Government are considering to make rules, which ensures functional autonomy for the Competition Commission of India;

(b) whether there is any proposal before Government regarding engagement of foreign agencies for building capacity of the Competition Commission of India; and

(c) if so, how Government would ensure that the capacity building programme adequately reflects the development needs of the country?

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) The framework for functioning of the CCI is laid down in the Competition Act, 2002.

(b) and (c) Two technical assistance projects have been undertaken with the assistance of USAID and World Bank. The projects, *inter-alia*, aim at building up the capacity of the Commission in competition policy related matters and for implementation of the Competition Act, 2002. The implementation of these projects will take place through the Central Government and CCI so that the development needs of the country are kept in view.

Disappearance of companies

832. SHRI N.R. GOVINDRAJAR:
SHRIMATI JAYA BACHCHAN:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that a large number of companies which entered the capital market from 1993 to 1995 have disappeared with a sum of about Rs. 1700 crores;

(b) whether it is also a fact that despite prosecution, proceedings and arrests in some cases, not a single rupee has so far been recovered and restored to investors;

(c) whether the prosecution agencies like CBI are now taking the plea behind various definitions of the terms like investors etc. and openly denying the possibility of restoration of invested funds to their investors; and

(d) if so, the reasons therefor?

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) 71 companies stand identified as on date as Vanishing Companies which came out with IPOs during the period 1993—1995, for raising a sum of Rs. 607.65 crores from the public.

(b) Even though prosecution and disgorgement proceedings have been initiated in a few cases, a final outcome in these cases still awaited as it involved court process.